YORK UNIVERSITÉ UNIVERSITY

CERLAC
CENTRE FOR RESEARCH ON LATIN AMERICA AND THE CARIBBEAN

Re-thinking Remittances: Social and Political Dimensions of Individual and Collective Remittances

By:

Luin Goldring
Dept. of Sociology, York University
Email: goldring@yorku.ca

CERLAC Working Paper Series

February, 2003

CERLAC WORKING PAPER SERIES

The CERLAC Working Paper Series includes pre-publication versions of papers prepared by CERLAC associates or resulting from CERLAC projects and colloquia, and which are slated for publication elsewhere. All responsibility for views and analysis lies with the author(s). Authors welcome feedback and comments.

Ordering Information: Papers can be ordered from CERLAC. Cost per single paper is $4.00 to cover shipping and handling. For orders of 10 papers or more there is a 50% discount. Please see the order form attached. Send cheque or money order (no credit cards, please) to:

CERLAC
240 York Lanes
York University
Toronto, Ontario
Canada M3J 1P3

Phone: (416) 736-5237
Fax: (416) 736-5737
E-mail: cerlac@yorku.ca

CERLAC WORKING PAPER SERIES

February, 2003

Re-thinking Remittances:
Social and Political Dimensions of Individual and Collective Remittances

Under review.
August, 2002; Revised December, 2002

By:
Luin Goldring
Dept. of Sociology, York University
Email: goldring@yorku.ca

Abstract:

The development potential of remittances has become a "hot" topic in various circles. There are several reasons for the surge in interest, including the dramatic increase in official remittance figures, and economic and political crises in migrant- and refugee-exporting countries. In this context, it is worth revisiting earlier debates on the development potential of remittances, which reached an impasse in the early 1990s. This paper attempts to push discussions beyond that impasse by making two main arguments. One involves recognizing and taking into account extra-economic dimensions of remittances, particularly the social and political meanings and uses of remittances. The second is based on a disaggregation of different types of remittances. Using Mexico as a case study, family versus collective remittances are compared and found to differ quite significantly in five areas. It is argued that the organizational experience and institutional development associated with certain examples of collective remittances can be interpreted as a form of development, one involving the expansion of substantive citizenship in a transnational context, though not without contradictions and limitations.

I. Introduction[1]

Since the mid-1990s there has been renewed interest in the relationship between international migration and development, more specifically, in the possibility of leveraging remittances to promote development in labor exporting regions and countries. Interest in this topic is certainly not new. The 1970s witnessed a lively debate on the subject, with arguments in favor and against the thesis that remittances contributed to development. The positive reading was based on the argument that migrants brought back skills, and that their earnings improved living standards and were used to start or support businesses or agricultural activities. Critics, however, argued that skills acquired abroad were often irrelevant in local labour markets, that remittances and money earned through migration polarized incomes and land-holding, and were used to meet basic subsistence needs or for conspicuous consumption, rather than contributing to development and growth.[2] That discussion, and more recent echoes of that debate, focused on the economic impact of family or individual remittances. I hope to contribute to questions surrounding the relationship between remittances and development by disaggregating economic remittances so as to include other types (e.g. collective remittances), and broadening the scope of the discussion to include social and political dimensions of economic remittances. These two steps also involve clarification of the meaning of development.

Discussions regarding remittances have gained new currency among a range of actors and institutions that include political authorities, multilateral development organizations, and some migrant organizations. Several factors account for this interest in general, which also apply to the case of Mexico—which is the focus of this paper. Reviewing them should help to explain the presence of yet another paper on the topic. A key reason for renewed interest in the remittances-development relationship is the tremendous increase in the amount of money sent "home" to migrant-producing countries. In 1999, the top three receivers of remittances were India, the Philippines and Mexico, with the totals accounting for 2.6, 8.9 and 1.7 of each country's GDP, respectively (Stalker). According to data compiled by Philip Martin's Migration News website (Migration News), remittances to India climbed from 2,756 million U.S. dollars in 1980 to 11,002 million dollars in 1999. The Philippines received 205 million dollars in remittances in1980 (Migration News). In 1999 this figure reached 7,016 million (Stalker). Data for Mexico also reflect this trend. In 1980, remittances to Mexico came to 698 million dollars (Migration News), and rose dramatically by 1999 to 5,909 million (Migration News) or 6,649 million dollars (Stalker), depending on the source. In 2001, remittances sent to Mexico reached a level of 8, 895 million dollars, an increase of 33 percent over the previous year (Zuñiga 2002). In addition to representing a large sum at the aggregate level, data from the National Institute of Geography (INEGI) have been used to estimate that in the year 2000, over a million households received remittances (1,252,493 households, or 5.3 percent of the national total) (Tuirán et al. 2001:20). This proportion underestimates the importance of remittances because the survey upon which it is based, the National Survey of Household Income and

---

[1] My ideas regarding the distinction between family and collective remittances were first presented in a paper published in 1999 (Goldring 1999a). Earlier drafts of this paper were presented at a conference at the Universidad Autónoma de Zacatecas in September, 2001, and at the 2001 meeting of the Latin American Studies Association (Goldring 2001b). It has since benefited from conversations with or comments from Sarah Gammage, Fernando Lozano and Patricia Landolt. Of course, the author is responsible for the contents.

[2] See Waller (2000) for a useful review of these debates.

Expenditures (ENIGH), does not capture certain kinds of financial transfers (Corona 2001:34). In any case, for households that receive remittances, these funds represent an important share of their total income (Corona 2001).

A second reason for this interest has to do with the economic and/or political crises experienced in many migrant-sending countries. Economic crises make remittances more important at many levels, for example, in national and foreign exchange accounts as a percent of Gross Domestic Product (GDP), and at the household level as a share of household and family income. Political crises may lead to a confluence of events including political transition and/or reform, constitutional and electoral reform, and potential changes in the structure of opportunities for emigrant political participation in the country of origin. For example, political crises and subsequent transitions may lead to the modification of citizenship and/or nationality laws affecting the rights of nationals living abroad (Itzigsohn 1999; Calderón and Martinez 2002).

A third reason for pursuing this topic is related to the relatively recent interest on the part of governments and multilateral organizations in establishing or widening their sphere of influence over the management of remittances.[3] This can be seen, for example, in conferences and publications sponsored by the World Bank, Economic Commission for Latin America (CEPAL 2000), and the Inter-American Development Bank's Multilateral Investment Fund (Zamora 2002; MIF 2001). In the Mexican case, this interest is evident in a series of government initiatives that began in the early 1990s. They included outreach programs for migrants (e.g. the Paisano program, the Program for Mexican Communities Abroad in the Ministry of Foreign Relations, and matching funds community works programs such as the Three for One—previously Two for One); the constitutional reform allowing for the non-loss of nationality; the establishment of a Presidential Office for Migrants and Mexican-Americans Abroad during the first half of the Fox administration and programs that the office established to attract investments and donations to support development in selected micro-regions (e.g. the "godfather" and "adopt a community" programs) (OPMEX 2002); and funds created by financial institutions to attract investments (e.g. the NAFIN fund[4]) (García Zamora 2002; Robles 2001). More recently (February 2002), the Mexican government announced that the Three for One programme would be expanded beyond the state of Zacatecas, to cover the entire country (Amador 2002). This kind of planning is not limited to Mexico: two weeks later, a similar matching funds program called "United for Solidarity"[5] was announced for El Salvador (Vega 2002). In fact, a number of countries in Latin America and the Caribbean have instituted programs and policies aimed at maintaining economic and/or political ties with their emigrants (Orozco 2001; CEPAL 2000).[6]

A more comparative and historical perspective confirms that states in this hemisphere are not unique. The governments of a number of current and former migrant-sending countries (often

[3] In Mexico, this has sometimes been linked to broader anti-poverty programs, as was the case with Solidaridad Internacional, and more recently, with attempts to link micro-regions designated as "marginal" under the PROGRESA program with "Three for One" investments through SEDESOL (Author interview with SEDESOL functionaries, April and May 2002).

[4] Presentation at a meeting to discuss the Torres (2001) consultant report, sponsored by Nacional Financiera (NAFIN), Mexico City, March 15, 2002.

[5] It is worth noting that the first version of the Three for One matching funds program was known as *International Solidarity* during the last part of the Salinas de Gortari administration (1988-1994).

[6] Orozco (2001) provides a useful overview of family remittances in Latin America and migrant outreach programs in El Salvador, Guatemala and Mexico.

spanning successive administrations and regime changes) have implemented migrant outreach policies and programmes to attract remittances and emigrant investment. Well-documented cases include India (India at Best), the Philippines (Basch et. al 1994; Bakan and Stasiulis 1997), Portugal (Feldman-Bianco 2000), and Italy (Smith 1999).

Clearly, remittances and the debates surrounding them are not new. However, I would argue that several changes have taken place, which affects the debates. One involves changes in the political, social and economic contexts within which remittances circulate, most notably the ascendance of a development discourse and policies that privilege markets and private investment or private-public partnerships to replace state investment. This, in turn, has drawn attention to various non-state actors, such as migrant organizations, and the goals they want to accomplish through remittances. Second, there is a change in selected characteristics of the flows included in the category of "remittances." After focusing almost exclusively on money sent by individuals to their relatives (family remittances), there is talk now of collective remittances as well. As a corollary to this, although investment capital is not strictly speaking a remittance, the presence of government programs designed to attract such funds from successful migrants points to the utility of identifying entrepreneurial or investment remittances as a kind of remittance or pseudo-remittance. Third, dynamic social and political relations surrounding remittances have highlighted extra-economic dimensions of the process. It is these social and political dimensions of economic remittances that are of particular interest to me.

In this paper I develop two arguments. First, that it is important to analyze differences between various types of remittances. Here, I suggest that examining the institutional actors that mediate the transfer and uses of remittances is particularly important. In addition to going beyond debates on the potential of remittances for development, such an analysis may help us to better evaluate policy initiatives aimed at managing or leveraging remittances (such as the expansion of the Three for One). The second argument is that economic remittances may have a very important political and social dimension, which becomes clear in the context of examining mediating institutions and opportunities for social and political learning. Recognizing this aspect of remittances should enrich discussions of the remittance-development relationship, and contribute to policies that take the social and the political dimensions explicitly into account.

II. Disaggregating Migradólares: conceptual antecedents.

> The problem is that opinions about remittances are made as if these were and meant the same thing in different places and over time (Durand 1994:285).

Jorge Durand's statement, published nearly ten years ago, nicely summarizes the problem with most approaches to conceptualising remittances. Remittances are not a unitary package, nor are they context-independent. Given that the idea of variation within the category of remittances has existed for nearly a decade, where has this insight led?

Beyond economic remittances. One direction in which the definition of remittances has been pushed is to include elements that are not strictly economic. For example, Peggy Levitt (1998) uses the term social remittances to describe the diffusion of different social practices and transformations, mainly in migrant-sending areas, which accompany the migration process. Nichols (2002) emphasizes the importance of knowledge, skills, and technology brought "back" by returning migrants, which could be called technical and/or technological remittances. Similarly, others have focused on changes in political identities, demands and practices associated with migration (Smith 1998, 1999; Rivera-Salgado 2000; Moctezuma 2000; Goldring 1992b, 1998a, 2002; Fitzgerald 2000), which one could refer to as political remittances.[7] These modifications would be consistent with an approach that analyses migration as a complex and multi-dimensional process that encompasses multiple arenas, including the social, political, cultural and technological as well as the economic.[8]

Broadening the economic: transfer and uses. The meaning of remittances has also been broadened within the rubric of economic remittances. This has taken place mainly through typologies that disaggregate remittances according to the method by which they are transferred, their use, and whether they are money remittances or not. Here, Jorge Durand's (1988) work is also key. He identified several types of *migradólares,* or migrant-dollars, including traditional individual or family remittances as cash (*en efectivo*) (transferred in one's pocket, or through a courier), through money orders, or some other method; savings invested in houses or businesses; and durable goods or products that migrants bring back upon their return (e.g. trucks, televisions, etc.).

In addition to pointing out the importance of migradólares that do not take the form of traditional money remittances, Durand later identified differences between three types of remittances based on their use or function, with comments about the profile of those most likely to be associated with each type of remittance. First, there are remittances as *wages or salary* (1994:285-86). According to Durand, these are sent by circular migrants or sojourners, who send money to support close relatives left behind. These migrants tend to be from areas characterized by monopoly or low-yield agriculture, which means there are limited opportunities for investment. Second, there are remittances as *investment* (1994:287-88). These remittances may be sent during a trip, or brought back upon a return. They are associated with target-earners, migrants who make a few trips with a specific objective, such as saving money to buy land or build a home. Third, there are remittances as *capital* (1994:288). This is money saved specifically to invest in a productive venture. According to Durand, "this [last] possibility has been the most difficult to carry out" (1994:228) due to constraints imposed by unequal regional development, inadequate foreign trade linkages, and other contextual economic factors that are beyond the control of migrants. Remittances as investment and capital may have a local-level growth impact to the extent that they generate jobs and diversify the economy. Nevertheless, having to remain in the United States for a period of time in order to obtain the dollars necessary to have this capital may have a perverse effect: migration tends to lead to further migration and possible settlement. That is, starting out as a target earner may well lead to settlement, and possibly to reduced interest in investing in Mexico, at least in the short- to medium term (Durand 1994:299).

One way or another, Durand's disaggregation of remittances underlies most subsequent discussions about the uses and economic

---

7 Remittances are usually conceived of as unidirectional flows, going to sending regions. However, economic as well as social and political remittances may be multi-directional and multi-polar. See Besserer (1999, 2002) on the multi-directionality of economic remittances, which may flow between various settlement sites, including, in some cases, from the "home" country to the "host" country as well.

8 However, while economic remittances may be more closely associated with market logics, social and political remittances would not be as closely tied to such logics.

potential of remittances. For example, demographic studies stress the importance of variables such as domestic structure, life-cycle, kinship, labor market activity, age-dependency, urbanization, and so forth, to make observations about households that receive remittances, the main uses of these monies, and forward looking projections that take such variables into account (Tuirán, Fuentes and Ramos 2001; Corona 2001; Lozano 1999, 2001). This work highlights a number of important points, of which I will only mention three. First, both households that receive remittances and those that do not do so use almost the same proportion of their income—80%-- to cover recurrent expenses, leaving less than 20% for other uses. This points to the overwhelming importance of remittances as *wages or income*. Second, remittance-receiving households are not homogenous, and include at least two groups: those with an absent family member who sends money to support the household, and those with return migrants or permanent emigrants, where a relative who is no longer a central member of the household sends some money to help out, but not to cover all expenses. Corona (2001) concludes that in these two types of households there will be little opportunity to use remittances for productive investments. Third, there are remittance-receiving households without migrants (the migrant is no longer or was never a member of the household), and households with migrants that do not receive remittances (Lozano 2001). This points to how complex the relationship may be between migration, kinship, remittances, and migrants' economic and labor market status, particularly in regions of "new" out-migration with less established social networks and labor market contacts.

Debates on the uses of remittances. Discussions about the economics of remittances continue to distinguish between remittances as income versus remittances as investment or capital. There is now a consensus that the highest share of remittances is spent supporting households' recurrent costs, including education and health (Waller 2000; Delgado and Rodríguez 2001). This is to say that the lion's share of remittances are wages or income, while only a small share can be considered to be investment or capital. In spite of this consensus, there are still divergent positions regarding the potential to leverage remittances as investment or capital. This has prolonged the debate on the role of remittances in development.

The discourse of several institutional actors on this topic reflects a persistent imperative to improve the use of remittances. As a result, there are ongoing discussions about how to make more productive use of remittances. At the same time, the magnitude, economic effects, and future implications of remittances continue to be debated. That is, even if most people accept that a high proportion of remittances are used as wages or income, the debate on the potential uses of remittances as investment or capital continues. Within this debate there are different definitions of "productive" and "development" as well as divergent positions regarding the savings potential of migrants and households that receive remittances (and those that do not receive them as well).

The different positions can be outlined as follows. There are those, like Alejandro Canales (2002), who corroborate that a large share of remittances are remittances as wages or income, and are used on recurrent household expenditures. He and others conclude that the question of investing remittances--on anything--is severely constrained by the economic hardship faced by most remittance-receiving households (not much surplus) and by the economic context (not many options for investment even if there was surplus income) (Corona 2001). Other authors point to the difficulties many people face in obtaining credit, marketing problems, lack of basic infrastructure, and other factors that act as disincentives for investing in rural areas (see Waller 2000). From a more macro perspective, Delgado and Rodríguez (2001) argue that the structure of the Mexican economy impedes development because what it really does is provide cheap labour domestically and abroad, as exported migrant labour. Based on a macro and comparative analysis, Knerr (2002) concludes that remittances do not contribute to economic development at the national level, in large part because of inadequate linkages.

In contrast to this "negative" view, there are several strands of work that offer a somewhat more "positive" reading. On one hand, there is the argument that wage or income remittances are "invested" in human capital by improving nutrition, health and education, and this investment is a key element in the process of development (Durand 1988; Durand, Parrado y Massey 1996; Tuirán 2002). This implies that part of what we may call remittances as wages is also saved and invested. There is also research that emphasizes the multiplier effect of remittances in local and regional economies (Durand, Kandel, Parrado and Massey 1996). Others suggest that even relatively small amounts of remittances as investment or capital can have a positive impact. As public policies improve conditions in rural areas, there will be better opportunities to invest them more wisely (Tuirán et al. 2001; Tuirán 2002).

This is not the place for an exhaustive treatment of this debate; rather, my purpose is to provide a context for current discussions about remittances, particularly collective remittances. By the mid 1990s, debates concerning the relationship between remittances and development had reached an impasse. Scholars recognized that structural factors constrained the uses of family remittances, at the level of the local/regional economy and that of the household. However, there was still hope that remittances might be turned into something beyond a shock absorber: that this large influx of money might be turned into a motor of development.

Collective remittances and new government policies. Toward the mid 1990s, the term "collective remittances" came into use to describe a longstanding practice: migrant groups' initiatives to finance and carry out projects to benefit their communities of origin (Goldring 1996, 2002; Smith 1998; Moctezuma 2000). During the first half of the Fox administration, various changes took place, two of which I discuss because of their relevance to the issue of remittances. First, government strategies began to take into account differences between family and collective remittances. This was reflected in policies directed specifically at family remittances, including reducing transfer costs, and related to this, initiatives aimed at turning migrants and their families—including the undocumented—into credit subjects (*sujetos de crédito* or clients of financial institutions.[9]

Second, the government showed renewed interest in collective remittances. I believe this interest had to do with the impasse in the debate on the potential for leveraging family remittances for development, and with the growing legitimacy of an approach to development which privileges the market and public-private partnerships. From this perspective, these arrangements become examples of how groups in civil society can incorporate themselves into the market, even if it requires some state support. They signal an acceptance that family remittances will not provide short- or medium-term solutions to development problems. At the same time, they are consistent with a commitment to market principles because they assume that in the long term, policies involving mechanisms to channel and improve the use of collective remittances

[9] "Bankification," a translation from the Spanish "bankificación" is an awkward way of referring to the change, from being "unbanked" to "banked."

will lead to an improvement in economic conditions in poor communities with high out-migration. Although no one believes that collective remittances are a "magic bullet" for development, government programs were being designed on the assumption that they have the potential to play an important role in local and regional development. This was reflected in Fox' early migrant-related initiatives, in certain welfare and development policies (such as the expansion of the Three for One and its institutionalisation within SEDESOL), and in research commissioned by multilateral agencies (CEPAL and the World Bank) to evaluate the potential of collective remittances for basic infrastructure and entrepreneurial projects (Torres 2001).

Some government initiatives, together with those of financial institutions, and multilateral organizations recognize a third type of remittances: investment or entrepreneurial remittances. The short-lived "adopt a community" program,[10] activities of the Mexico Trade Centers, a new fund to promote enterprise development created with funds from the Inter-American Foundation, and a NAFIN (Nacional Financiera) fund[11] illustrate the recognition of entrepreneurial remittances and interest in attracting them. The idea behind these programs was to attract capital from investors who might include successful Mexican or Mexican-American entrepreneurs, as well as large corporation without explicit Mexican roots.

Although these policy initiatives and programs recognized the distinction between family remittances on one hand, and collective and entrepreneurial ones on the other, there was a certain ambiguity in terms of differentiating between the last two. On one hand, there was the expectation that collective remittances would increasingly be used for "productive" projects (i.e. generate rents) over time. On the other hand, there was the hope that entrepreneurs would invest under two modalities: as no-strings attached donations, and establishing businesses that would generate employment and profits, even if the profits were not as high as they might be if the money were invested elsewhere. If the old model was that the three levels of government and migrants would jointly help to develop sending regions, now the new player was the private sector, with migrant organizations and individuals or joint partnerships playing this role. While the assignation of responsibilities and benefits connected to each party in this new investment partnership were not entirely clear, the idea was certainly to establish new public-private partnerships.

With this discussion as background, I turn now to an analysis of key differences between types of remittances. It emphasizes tensions in the definition of collective remittances in the hope of contributing to discussions about alternative government and NGO interventions. For reasons of space, I limit the analysis to two types of remittances: family and collective remittances. Although I do not deal explicitly with entrepreneurial or investment remittances, underlying questions include the extent to which collective remittances can be expected to be more "productive" (that is, entrepreneurial or rent-generating), and what factors would need to be considered if this were an objective. An important element of the analysis involves taking into account the institutional intermediaries and their modes of intervention in relation to each type of remittance.

[10] The "adopt a community" program has a philanthropic character, but it could also be linked to entrepreneurial initiatives. That is, the "Godfathers" could become benefactors and/or investors, without and with profit expectations. In both cases, the idea was to create sustainable employment (OPMEX 2002).

[11] In spite of the creation of a fund in NAFIN for small and medium enterprises, a recent news item indicated that the resources were not actually reaching those enterprises (Ortiz 2002).

III. Key elements distinguishing types of remittances

In previous work (Goldring 1999a), I proposed a series of elements that distinguish three types of economic remittances: family, collective, and entrepreneurial ones. Figure 1 presents the typology, with substantive modifications. I present the entire typology without discussing entrepreneurial remittances in order to stimulate discussion, and also to contextualize the discussion which will be limited to five shaded elements or rows: (1) the constellation of remitters, receivers, and intermediary institutions; (2) the management of the remittances and the norms and logic(s) that regulate it (the "regulatory scheme"); (3) the uses of the remittances and the balance between remittances as income versus savings; (4) the social and political meaning of the remittances; and (5) the implications of these meanings for public policy.

Figure 1. Typology of Remittances/Migrant Earnings

	Types of Remittances		
	Family-Individual	**Collective**	**Investment**
Sender(s):	Individuals/people	Organized group of migrants: families, partners, home-town clubs or associations	Individuals or business partners
Recipient(s)/ Beneficiarie(s):	Recipients = kin, fictive kin Beneficiaries = recipients and transfer companies	Recipients = community or target group within community Beneficiaries = community, target group, or productive project partners	Recipients = senders or business venture Beneficiaries = investors; in theory, "employees" also benefit.
Mediating actors / institutions	Families, households, social networks. Money transfer companies (formal and informal). Private sector.	Community social networks, migrant organizations. Often: local, state and federal governments. NGOs. Public sector.	Possibly: local, state and federal government. Private sector. Public-Private Partnerships.
Importance of locality of origin in geographic destination of remittance	Usually close relationship. Remittance goes to kin in place of origin. (May also go from place of origin to other locations with kin).	Close relationship between identity, place of origin, and place where collective remittances are sent.	Close relationship is possible, but not at all necessary. Market logic (returns) may be more important in directing remittance.
Balance between: Income/Savings / Investment	Major share of remittances = income. Small share of remittances = savings.	Remittances = savings (donation, not investment).	Remittances = investment.
Control or management of funds; conflict	Beneficiaries or close relatives of senders. Possible conflict between senders and recipients over use.	U.S.-based club; Mexico-based committee; municipal / state /federal authorities; various government bodies. Possible coflict between senders and mediating actors and institutions.	Investors. Possible role for government authorities.
Logic / Regulatory framework	Kinship logic: Norms, ideologies and processes related to identity, kinship, gender, community, etc. Money transfer companies and costs may set some parameters.	Logic of philanthropy. Formal statutes and informal norms of organizations; formal agreements with governments or organizations. Operation guidelines for state programs (e.g. cost-sharing)	Market logic. International investment and trade regulations. Possible state and federal regulations.
Uses/ functions:	Social reproduction (food, clothing, housing), education, health, social services. Less than 20% on capitalization (tools, machinery), credit, or "business" (water fees, wages, etc.).	Community public works infrastructure (roads, water, electrification), leisure infrastructure (sports fields), gendered projects (rodeo rings), social services (school equipment, old-age homes, ambulance, clinic equipment). Employment [illegible]	Short or long-term profit, tax write-off; perhaps employment generation, economic development. Profit generation (may have

	Improving well-being.	generation through construction projects. Providing social citizenship benefits/goods/services	some element of giving back to one's community or region).
Regulatory framework	Kinship norms	Formal or informal statutes, formal accords with state & local governments, usually group-initiated	Market, some municipal and state support
Profit expectations / Public vs. public good	Individual or family benefit, perhaps profit for family business or agricultural activities. Private good.	Non-profit donation, for community or target-group benefit. Public good.	Profit. Private good.
Problems, sanctions	Not sending money may lead to social exclusion; not using it properly==> gender/ generational conflict. Labor market problems in host country may reduce income.	Miss-handling money leads to group dissolution; perception of personal gain does as well. Transparency, trust, communication are important to good management. Negotiations over management of money with authorities may be conflictual.	Lack of profit or red-tape/difficulties may limit future/other investment
Social meaning and leverage	Individual and family social and economi status; livelihoods, conspicious consumption. Potential to polarize incomes and wealth.	Community ammenities, community status, gendered status of leaders, link to political clout. Potential for social capital and political learning.	Personal social and economic status, link to political clout
Political leverage	Limited (more at aggregate level with migrants as herous, and through organizations). May form basis for broader substantive citizenship claims making	Strong possibility for groups with organizational continuity. Political status for leaders and organizations. May influence opinion (voters). Leaders may use organizations to achieve higher positions (political trampoline). Clear avenue for making membership claims, or substantive citizenship.	Possible political clout for individuals, but highly variable outcomes (successful entrepreneur turned politician; e.g. Jerez.)
Interventions	Increasing disposable income: reducing transfer costs, more and better alternative for transfering funds, better financial instruments. Reducing vulnerability by enhancing social welfare services and financial services: improving access to and terms c credit, social security, medical services, employment levels, pro-rural development.	Developing mechanisms for participatory, democratic, and inclusive planning. Increasing participation of local representatives, women, indigenous groups, and others with history of limited access to power. Consultative process important to developing such planning processes. Organizational learning takes time: quick results should not be expected. Include NGOs and other actors.	Improve basic infrastructure and communications to improve "investment climate" or structural conditions in more regions. Improve marketing networks.

Family Remittances

Logics. I use family remittances following current usage, although they can include remittances sent to friends and distant relatives.[12] A key characteristic of these remittances is that the practices associated with sending money "back home" are steeped in norms, obligations and/or affective ties that are bound up in processes of identity formation, gender and socialization, which are in turn rooted in social networks (of kinship, fictive kinship, friendship, etc.) and processes related to the construction of community, ethnicity and nation. That is, these remittances represent transnational versions of flows and exchanges of money and goods that are intimately bound up with, and regulated by, conceptions of and responsibilities associated with being a mother, father, son, daughter, sister, brother, aunt, uncle, godparent, godchild, etc., and with claims to varying forms of membership in specific communities, including the locality, transnational community, and nation. While market logics influence this type of remittances and set constraints around them, culturally conjunctural family logics guide them. That is, sending or not sending money may be shaped by labor market opportunities and personal income management strategies, but failure to send

[12] Use of the term "family" does not imply an acritical definition of the family. The definition of family and household is understood to differ depending on sociocultural context, and to include gender, age, generation and other unequal power relations.

money to one's relatives will probably be interpreted as a form of social as well as economic failure.

Mechanisms. Some of the transfer of family remittances or migradollars takes place through migrants themselves, when they bring money or goods. But there are also other transfer mechanisms and institutions (Lozano 1993), which may or may not be official, may or may not be included in central bank accounting, and may or may not operate under standard financial or other regulations. Most of the institutions belong to the private sector, such as banks and money transfer businesses (e.g. Western Union and the myriad smaller companies). If there is a public sector institution involved, it might be something like the U.S. Postal Service, or some state funds that operate more like private enterprises. In the case of extra-official transfer institutions, such as "local" couriers, trust (or the enforceability of trust) is important to the viability of the enterprise. In contrast, in the case of larger and more institutionalised mechanisms and institutions, an "impersonal" market relationship is involved. Nevertheless, these may involve varying degrees of transparency, for example regarding the real cost of transactions or the exchange rate. Outside of the intermediaries involved in the transfer, there are no other actors or institutions directly involved in the process. As far of the management of the money sent, those who receive are the ones who spend it, though they may be subject to suggestions or "orders" from the remitter.

Uses and purpose. The use of family remittances has already been dealt with in general terms. In general, most are remittances as income since much of this money is spent on recurrent expenses as well as less frequent but none the less important expenses, for example education and health. Their purpose is to maintain or perhaps improve the standard of living of the family or household. Although they are sent with the idea of supporting, helping, and improving the well-being of one's relatives, these moneys may also be spent on conspicuous consumption. They also serve as a form of social insurance (unemployment, medical, old-age, social security and crop or production insurance).

Social and political meaning. In terms of their social meaning, remittances can thus be interpreted as involving an expression or claim of membership in a family or social network. People send money as part of a social obligation and to affirm their ongoing role as members of a social network. The social regulation regime that shapes these exchanges is based on ideologies of kinship, gender, and inter-generational relations, which are in turn part of broader social and cultural processes.

The political meaning or potential of family remittances is limited at the level of individual senders and receiving households. Nevertheless, at an aggregate level, they may have some weight. Behind some of the recent migrant-related initiatives of the Mexican state is the idea, made more or less explicit, that something ought to be done for migrants. They should finally be given some recognition and some mechanism of communication be established with them, given that they are a source of dollars without which the social welfare of many communities—and of the country—would be even more precarious. Although many actors do not want to frame this in terms of a *quid pro quo*, a former staff member of the former Office for Mexicans Abroad said "how can we not support them on the vote issue when they contribute so much to their country? (Interview in the OPMEX, April, 2002).

Interventions. There are concrete public policy instruments related to family remittances. These include: reducing transfer costs; regulating the exchange rate offered by transfer companies; promoting competition among companies that provide these and related services; supporting the development of alternative technologies and mechanisms for transferring funds[13]; more and improved financial instruments on both sides of the border (housing and other loans, insurance); better geographic coverage for services in both sending and receiving areas; and better access to financial institutions in the U.S., without regard to legal status. Many of these measures would increase the share of remittances that really reaches recipient households, thereby increasing their remittances as income.

There are already a number of government initiatives that would appear to have taken this kind of analysis into account. One of the current administration's objectives, at least prior to the dissolution of the OPMEX, was to improve migrants' access to financial institutions, regardless of legal status (Hernández 2002). Pushing for the recognition of the consular "matrícula" as a valid identification in the United States was an important part of this effort, and a fairly successful one. There are a number of banks that allow immigrants to open accounts without proof of legal status, which reduces their dependence on companies that charge higher fees to remit money (Martínez 2002; SRE 2002).[14] The lobbying effort aimed at eliminating the requirement to show proof of residence to obtain a driver's license, which can also be used to open a bank account, also illustrates this kind of initiative, although this was relatively unsuccessful. These examples are all part of a set of initiatives aimed at promoting the use of financial services offered by banks or credit unions as an alternative to mainstream transfer companies. They allowed government personnel to look good promoting policies that would leave more money at the disposal of migrants, while at the same time providing financial institutions more access to the immigrant market.[15]

The reasoning behind these government initiatives was clearly to improve the terms of family remittance transfer in order to increase the amount received and the financial instruments available to them, in order to increase the probability of saving and investing some of the money. Nevertheless, if we assume that most remittances are treated as income, one could also infer that these initiatives would raise income, without necessarily augmenting savings. Of course, raising incomes is a step along the way toward increasing savings. To the extent that transfer institutions buy into this approach, they can increase revenues by raising the volume of transactions and offering more services rather than through monopolistic pricing. In any case, it is clear that in order for income and savings to turn into productive investments with potential multiplier effects, what is needed is a broader set of policies and resources to support the well being of families as well as regional and national development. This would involve going far beyond initiatives aimed directly at family remittances, to include policies with broader, structural, implications. This might include coordinating policy in the areas of health, social security, education, and urban, regional, agricultural, industrial and environmental planning in areas of out-migration. Given the difficulty of implementing such efforts, which would require long-term coordination among ministries, the government moves ahead with a few more visible initiatives that may or may not be sustainable, but which show some short-term

[13] For example, the use of ATM cards, telecenters, and so forth (see the work of Scott Robinson; Isabel Cruz and the AMUCCS).

[14] It also reduces the vulnerability of people without access to formal savings instruments and institutions, who would previously have had to carry large amounts of cash after getting paid.

[15] Guarnizo (2001) notes that one of the changes brought about by processes of globalization and international migration is an inversion of the pattern in which migrants moved so as to follow capital, to one where capital now pursues migrants and their money in an effort to broaden markets.

results and are amenable to fairly straight forward intervention.

Collective Remittances

Collective remittances have recently drawn attention not because of their amounts, which represent a fraction of family remittances, although they are difficult to calculate because of the "informality" behind some of these initiatives, but rather, because of extra-economic dimension that characterizes the "bundle" associated with these remittances. This dimension includes what some refer to as social capital, because it has to do with the organization and experience that accompanies them. One report on the potential of migrant capital for small infrastructure and micro-enterprise development prepared for the World Bank summarizes this as follows:

> The potentialities of community remittances lie not in their present amounts but mainly their characteristic as a "high quality resource:" an organized force backs them, they are generally earmarked for investment and they show a clear tendency to grow in volume and improve in quality" (Torres 2001:22).

In other words, one of the main attractions of collective remittances is exactly that they are not seen as remittances as income. They are not used to cover recurrent expenses, as is the case with family remittances. Rather, these moneys approximate savings. Nevertheless, while governments and multilateral organizations would like to see these savings turned into investment, it is clear that most collective remittances have been made under a model that bears more resemblance to non-profit donations than capital investments. In what follows I develop this further, after first providing more background on these remittances.

Background: uses, purposes and mechanisms. Community projects financed through collective remittances have taken place in many rural localities with high rates of migration to the United States. Although there is no set of data that would permit a systematic analysis of the determinants of such organization, there is enough available information to outline the general trajectory of these organizations. As Moctezuma points out (2000:92), the establishment of "daughter" or "filial" communities is a key element in the process of constructing what he calls the "collective migrant,"[16] or what others have referred to as bi-national (Mines 1988) and transnational communities (Goldring 1998a; Goldring 1998b). The presence of these filial communities means that those living outside the place of origin are doing so in one or more areas of concentration, which in turn involves the extension of social networks over geographic space and national boundaries, and the creation of multi-local and transnational social spaces. In these spaces, people make claims of membership and social status that can be recognized and appropriately valorized, generating the feeling of community, even if the "community" also includes deep social cleavages (Goldring 1996).

Sports clubs or religious associations have often been the organizational medium through which these kinds of community projects are carried out. In a number of cases, priests have helped to organize communities for projects that included, but were not been limited to, church-related goals such as repairing or building a church, or fixing up the cemetery. If the first project was

[16] The term "collective migrant" has the advantage of emphasizing migrant agency and organization. However, it can imply unity, coordination, and the lack divisions—for example, based on politics, class, gender, and ethnicity, which may or may not be the case (Goldring 1996; Goldring 2001a).

successful, that is, if the project was carried out and money is spent on what it was supposed to be spent, then subsequent projects would likely follow (Cf. Juárez 2002). In general, projects fall under four categories: (1) basic infrastructure and communications projects (roads, bridges, potable water, drainage, water treatment, wells, electrification, telephones): (2) public service infrastructure and capitalization, that is, projects related to education, health and social security (schools, computers, clinics, ambulances, old-age homes, monthly food baskets or allowances for needy groups); (3) recreation and status-related projects (sports fields, rodeo rings); and (4) other community or urbanization projects (multiple-use community halls, plazas, public benches, building facades, historic preservation).

Logic. What distinguishes these projects is that *collective* benefit or good they provide. In addition to involving collective fundraising, they imply collective enjoyment and not private gain. This means that in general, the projects do not allow for individual appropriation of the project or of profits, rents or other benefits associated with it, and use of the project or good is fairly open and universal, at least within the locality.[17] Projects may suffer a host of problems, including poor planning, quality or workmanship; inflation; corruption; and money running out before completion. Issues may also arise regarding responsibility for maintenance. However, once a given project is built, anyone can use it (unless it is not completed properly, user-fees limit access, etc.). Similarly, most of the public service infrastructure, recreation, and other projects can be used by anyone. While they may also run into problems (lack of trained staff, equipment, maintenance, etc.), they are also seen as projects that benefit the community. They are not businesses owned by the migrants who helped to finance them. A second and related characteristic shared by most of these projects is that migrant participation replaces state financial responsibility (at each of the three levels of government) (Goldring 1992b). In many cases, migrants themselves say that it is the government's job, but that if they don't do it, either it won't get done or it will take too long (Goldring 1992b, 1998b; Moctezuma 2000; Alarcón 2002).

More on mechanisms. The money that becomes collective remittances finances community projects through various mechanisms. Some groups operate relatively autonomously, while others work with one or more levels of government (Torres 2001; Goldring 2002). The case of Zacatecas is fairly well known because of a cost-sharing program that has operated under several names since 1993 (Goldring 1999b; Moctezuma 2000; Delgado y Rodríguez 2001).[18] In Zacatecas, between 1993 and 2000, 429 projects were initiated or constructed through the Two for One and Three for One programs; their total value came to 16,823,670 dollars (Delgado and Rodríguez 2001: 759). In the rest of this section I focus on the Zacatecan experience because it is the most institutionalized (Goldring 2002) and the one that the Fox administration wanted to replicate by expanding the "Three for One" to the national level (Amador 2002).

Cost-sharing programs like the Three for One

[17] Of course, there are exceptions and problematic cases, for example, where a person or small group decides to charge admission to a rodeo ring or community hall. If profits are used for individual gain, problems will ensue. However, an alternative is to create a community-managed cost recovery fund for revenues, which can also be used to finance future projects. This was the model used in Las Animas, Zacatecas, where proceeds from the *coleadera* (a rodeo-like event) were used to repay those who had paid for the animals, and then to build community infrastructure (Goldring 1992a). Other communities have used similar approaches.

[18] There are also examples of infrastructure projects financed by migrants from Jalisco, Oaxaca, San Luis Potosí, Puebla, and other states, but under different institutional arrangements (Torres 2001; Juárez 2002; García Zamora 1999; Alarcón 2002; Goldring 2002).

are part of a state policy of migrant outreach, which is itself part of a broader set of policies that involve the definition of the nation, legislative changes related to nationality, and the right to vote (Goldring 1998a, 1999b, 2002; Smith 1998, 1999; Moctezuma 2002). Regardless of how complex a reading one makes of these policies, these programs were established in a way that builds on prior practices and existing social networks. There is a long history, though not always documented, of cases where groups got together to fix churches, pave streets, build bridges, install potable water, and other community improvement projects (Juárez 2002). Involvement in these community projects may seem fairly innocuous in political and social terms. People decide on a project objective, they raise money, and carry out the construction project or buy the equipment that will be donated. Nevertheless, reality is often far more complex.[19] There may be differences of opinion about the priority of various possible projects between migrants, local residents, and political authorities at various levels. In the case of equipment or other donations, there may be duties and customs problems at the border when they are "imported" into Mexico. In the case of projects requiring construction, as hinted at earlier, there may be interruptions or delays due to changes in materials prices and budgets, construction companies may not comply with budgets and/or timelines, there may be inadequate technical assistance, conflicts between "local" representatives and political authorities, and so forth. These problems become increasingly likely with complex projects and when political authorities are involved as mediating institutions, as is the case with cost-sharing programs.

[19] I focus here on problems related to the implementation of projects, without discussing others, such as tensions around agreeing on the priority of a given project.

Mediating institutions. The experience of working on cost-sharing programs implies the involvement of government actors and institutions, which often also means the involvement of federal norms or regulations, that is, regulations that are external to the migrant organizations. Entering into contact, and having to negotiate, with the three levels of government in a series of activities related to the planning, construction and follow-up of projects generally leads to an important political and organizational learning process. In turn, this experience may lead to the accumulation of social and political capital for the organizations and their leaders, especially when there is organizational and staff continuity (Goldring 1998b, 1999b, 2001a, 2002; Moctezuma 2002). This "capital" can be used in future negotiations.

Social and political meaning. To sum up, projects financed with collective remittances through the Two for One and later Three for One have been, on the whole, projects providing *collective* goods or benefits (Goldring 1999a; Moctezuma and Rodríguez 2001). Most are also works that, because of their purpose and characteristics, fall or used to fall under the state's responsibility. This, together with experience acquired by implementing projects leads me to call collective remittances and projects carried out with them lived examples of social and substantive citizenship.[20] It is social citizenship because it facilitates (or substitutes for) the state's "traditional" responsibilities in the area of social benefits and welfare, particularly in the case of projects that meet needs in the areas of health, education, social

[20] These features also mean that these remittances could be described as donations, rather than investments. When the government establishes a school or a clinic, it is public: anyone may attend. There may be fees for some services, but they are open to all. If private profit-oriented companies were involved, there would have to be a discussion to negotiate the distribution of benefits or profits (unless it were structured as a cooperative or non-profit organization).

insurance, and transportation and communications (Goldring 1998a; Alarcón 2002). It is substantive or *de facto* citizenship because working on projects involves political participation in a situation where migrants are not covered by a legal framework that explicitly provides for or acknowledges their full political rights in Mexico (Goldring 1998a). On the contrary, one could say that the projects represent claims that affirm belonging in their communities of origin as well as membership in the political community of their home municipalities and states, even if it is a *de facto* membership that has to be practiced in order to be made real because it does not exist on paper, and moreover, is ambiguous and contested (Goldring 1998b, 2001a, 2002; Moctezuma 2000, 2001; Fitzgerald 2000; Smith 1998, 1999; Alarcón 2002).[21]

Interventions. This section concludes with four points regarding policy and advocacy interventions related to collective remittance projects**.**

The first has to do with migrant organizations and their opportunities to accumulate social and political capital. Although there has been a proliferation of clubs, particularly in recent years, one has to recognize that these organizations are not always easy to sustain over time, particularly if they are groups that really involve a membership that goes beyond one or two leaders. Participating in these clubs takes time, trust, and good experiences upon which to build further. The key point is that clubs are not born over night, nor are they established with inherent sustainability. Rather, sustainability has to be based on experience, good leadership, and organizational learning. Basing a public policy on this kind of organization and expecting it to reproduce quickly and regardless of context is clearly not feasible. On the other hand, offering training and technical assistance so that organizations can develop leadership and other skills through training and related programs, so that they might operate in a democratic manner, etc. requires more time and resources. At the same time, municipal, state and federal authorities that deal with the channeling of collective remittances can also receive training. All of this requires a non-partisan and long-term approach to migrant community development or outreach.

The second point has to do with development, or the possibility of turning collective remittances into productive projects. The fact that most of the projects carried out with collective remittances have not been "productive" projects raises questions about the extent to which their purpose and uses can in fact be reasonably modified. Three for One projects tend to work best when they are for collective goods and not something that can be appropriated by a person or small group, unless this is specified in advance. An old age home, a food basket (*despensa*) program, or scholarships can work because the group of beneficiaries is clearly stated in advance, and people consider it a worthy cause. That is, it works like a donation or an act of philanthropy. However, a project that was supposed to be for the community and ends up providing profits to a person or small group is likely to have serious problems. Planning productive projects under the former Two for One was not very successful, in part because of lack of clarity regarding possible profits. There were also other factors involved. For example, an animal fattening project did not

[21] It is worth clarifying that such a political claim is not necessarily articulated explicitly when projects are initially undertaken. However, once initiated, contact and dealings with construction companies, political authorities, public works officials, and so forth, often generates tensions as club members or their "local" representatives question these parties' decisions, power, and authority. These challenges can lead to situations in which "project implementation" becomes enmeshed in power struggles and acquires strong political overtones. This is why I argue that these claims are linked to a notion of membership in a political community, even though they may not directly involve electoral issues.

have the expected results because the animals that the migrants' relatives received were not the kind they expected, and many died (interview, Manuel de la Cruz, 1977).

In some special cases, productive projects have worked specifically because they were not community projects in the sense of providing collective goods, but rather, projects that used the Two for One framework but were actually more entrepreneurial. In one of the first examples, a group from the municipality of Jerez put up the money to set up a tortilla-making enterprise. In this case, the "club" was a group of relatives that set up the micro-enterprise to employ a disabled relative (interview with club leader, 1997). It was a charitable and productive project, though not strictly entrepreneurial in that the "investors" did not expect to make a profit. They just wanted the man and his family to make a living. In another case, the club "Campesinos El Remolino" from the municipality of Juchipila put up the money to build the "El Ranchito" dam. The project was finance through the Two for One and then the Three for One using the club structure, with 40 partners or club members investing their money (Moctezuma 2001; author interview with Agustín Bañuelos, 1998). The project beneficiaries were the partners and/or their relatives in Mexico: they used the water to irrigate their land and water their cattle, keeping any profits from the production. This case looked like a successful productive project, though it may be too early to tell. As Moctezuma (2001) notes, it can also be understood as a migrant and *campesino* response to neoliberal policies. It is an attractive model because it involves migrant agency. They had to deal with a number of obstacles introduced by the government's mediating role, which was brought about because of the cost-sharing program. Nevertheless, this case differs from that of the more general model of a club working on a collective good. In trying to replicate it, it would be worth keeping in mind the specificities of this case, and the fact that it does not involve a social or community project that can benefit an entire community, but rather, is an entrepreneurial project that involved a lengthy feasibility study and took time to carry out.

Based on experiences such as these in Zacatecas, policy-makers and NGOs might consider the creation of different types of cost-sharing or incentive funds, with different conditions, and appropriate to specific regional contexts. One fund might be for projects that lead to collective goods that local residents considered to of high priority. These could follow the model of collective good projects, e.g. not for productive or rent-seeking purposes, and use a high government share in the cost-sharing formula. Another fund might be aimed at starting co-operatively owned enterprises in suitable environments. These might also involve a government share, but a lower one, since a formula would have to be worked out to pay both the "investors" and the "workers." A third approach would be to establish a fund to encourage entrepreneurial investment, making terms explicit, with preferential credit terms but with a low or non-existent government grant. For this, potential investors would have to consider their investments more carefully based on a market logic, rather than on a donation or charity logic. Of course, this proposal would involve expanding the approach to development beyond public-private partnerships aimed at "productive" rent-seeking activities, and would also require a more comprensive and coherent approach to regional planning.

The third point has to do with the planning process. To date, cost sharing programs in Zacatecas (the One for One, Two for One, and Three for One) have worked with the involvement of one or more levels of government. The recent insertion of the Three for One within the Ministry of Social Development (SEDESOL) provides for a new regulatory framework covering the Three for

One. There are national and state-by-state rules governing the urban and regional planning process, and specific rules covering how migrants will have to incorporate their Three for One projects within the local and regional planning process, depending on the type of project. Migrants may see this as a loss of autonomy (Goldring 2002a). In any case, it is one of the greatest challenges for the successful and sustainable operation of such programs. The planning process needs to become increasingly transparent, democratic and participatory, otherwise it will be plagued by conflicts between migrants and political authorities, and/or among various groups of migrants.

The last point is related to the previous one and has to do with the role of NGOs. As mentioned, in the case of the Zacatecan clubs, the three levels of government have been the main mediating institutions involved with collective remittance projects. Nevertheless, NGOs working on rural and municipal development and governance could play an important role. They could become involved in technical assistance, organizational development, creating financial instruments useful to migrants and their families and communities, and so forth. Up to now, most NGOs working on rural issues (or urban ones for that matter) have had little contact with migrants. This could change if relevant NGOs adopted a more transnational approach to their work, if foundations and other NGO funding sources supported such a move, if government regulations (e.g. SEDESOL's norms for the Three for One) were flexible and allowed for NGO participation, and if migrant organizations became more familiar with NGOs. However, this would require a proactive agenda on the part of NGOs, foundations, and government staff involved with migrants.

IV. Conclusion

Remittances are not a unitary package, as Jorge Durand (1994) indicated several years ago. There are various ways of disaggregating remittances. For example, one can talk about non-economic remittances, that is, social, technological and technical or political remittances. Within the category of economic remittances, a number of distinctions can be made, for example, based on their use, depending on whether they are spent on recurrent costs (remittances as income), savings, or investment. In this paper I outline key differences between family and collective remittances. Family remittances tend to be used to cover recurrent costs (food, clothing, housing) and to substitute for, or improve, household access to public services such as health, education, and social security. Thus, they act primarily as a source of income. In contrast, collective remittances tend to be seen by planners and political authorities as money that represents savings and has the potential to become investment. For migrants, these collective remittances tend to be seen as donations for community projects in their places of origin, although there are some examples of these moneys being spent on more "productive" or entrepreneurial projects.

During the 1970s and 1980s, a lively debate arose around the question of whether remittances could contribute to development in migrant-sending regions or countries. In this literature, it was common to find either positive or negative positions on the debate. The positive reading would argue that remittances do contribute to development through multiplier effects, and investment in human capital and health. However, the negative position would stress the economic hardship faced by remittance-receiving households, as well as regional and macro-economic constraints that limit the possibility of using remittances as anything else besides income, and that as a consequence, one should not expect migrants to invest remittances in a "productive" manner. Some critics also argued that it was not the Mexican government's role to tell migrants or their relatives how to use remittances, or to be in the business of channelling them (Bustamante 2002).

Both positions included strong prescriptive elements, as well as empirical research, which made it difficult to settle the debate conclusively and with generalizations applicable to all contexts. By the mid 1990s, a clear impasse had been reached in the debate. There was relative consensus around the conclusions that family remittances represented income that was spent largely on recurrent costs, that there was little left over to save or invest, and that there might be structural limits that created disincentives for investment. Nevertheless, the idea that remittances might be used (more) productively continued to surface. At the same time, the political-economic context was favouring a reduce role for the state in infrastructure investment and public spending, the promotion of "free" markets, and public-private partnerships as a solution to certain social problems (Cf. Lucissano 2002). It is in this context that the idea that remittance use could and should be modified took on new life with reference to collective remittances. Because these are seen as savings, the expectation is that cost-sharing or programs to attract investment can lead to productive projects that will contribute to development in areas of out migration. In order to better evaluate such proposals, I suggested that it is important to look more closely at family and collective remittances.

One of the key dimensions of difference between family and collective remittances has to do with the institutions that mediate the transfer and use of the funds. In the case of collective remittances, political authorities at various levels of government tend to play an important role in planning and implementing projects financed by these moneys. Migrant organizations that raise money for the projects also work on planning, and a great deal of political and social learning takes place in order to carry them out. This learning can contribute to the accumulation of social and political capital, which gives these remittances a social and political dimension that is significant and should not be discounted. While family remittances may acquire a political dimension at the aggregate level, they are not mediated by political authorities, they do not have institutionalized organizations behind them, nor do they have the potential for social and political learning associated with collective remittances. This learning can begin to translate into political demands based on social claims of membership and belonging, which in turn may translate into political leverage. In this way, collective economic remittances develop a significant political dimension that cannot be ignored.

This discussion has shown that economic collective remittances have an important political dimension. At the same time, it shows that one of the main challenges for political authorities as well as migrant organizations that work on cost-sharing projects has to do with project planning and implementation. This is a process that can be riddled with conflicts and lack of transparency. One objective of the planning process could be to develop more effective, accessible and democratic participation, and greater transparency so that all of the actors can be more accountable to all stakeholders.

This analysis may help us understand how something that is apparently straight forward, like the construction of community projects, can become more complex and political. This leads to the conclusion that modifying the process of project implementation is not necessarily easy. Clubs are not born over night, instead, they need time to achieve success and build a base of effective leadership and accumulate political learning. Changing collective remittance projects away from something intended to be a donation for a collective good to an entrepreneurial project is not a simple process. Diverse programs and regulatory schemes that take into account differences between social welfare projects and businesses may be needed. This paper, which has identified key distinctions between, and characteristics of, different forms of remittances may be relevant to migrant organizations, governments, and perhaps NGOs involved in rural development and planning. Changing the use of remittances is not only a question of changing behavior, but also implies changes of meaning, relations of power, and conceptions of belonging and membership, in addition to broader changes that can alter the structure of opportunities at many levels.

Bibliography

Alarcón, Rafael. 2002. "Hometown Associations and Remittances in Mexico." In Rodolfo de la Garza and B. Lindsay Lowell (eds.). *Sending Money Home: Latino Remittances to Latin America*. Boulder, CO: Rowman & Littlefield Publishers.

Amador, Lucero. 2002. "México amplía el programa Tres por Uno. El gobierno destina dinero para acelerar las obras sociales auspiciadas por paisanos de EU." *La Opinión*. (February 13).

Bakan, Abigail and Daiva Stasiulis. 1997. *Not one of the Family: Foreign Domestic Workers in Canada*. Toronto: University of Toronto Press.

Basch, Linda, Nina Glick Schiller and Cristina Szanton Blanc. 1994. *Nations Unbound: Transnational Projects, Postcolonial Predicaments and Deterritorialized Nation-States.* Langorne, Pennsylvania: Gordon and Breach.

Besserer, Federico. 1999. "Remesas y economía en comunidades transnacionales." *Coloquio Nacional sobre Políticas Públicas de Atención al Migrante* (Proceedings). Oaxaca, Mexico: Gobierno Constitucional del Estado de Oaxaca.

__________. 2002. *Topografías Transnacionales*. México, D.F.: Universidad Autónoma Metropolitana Unidad Iztapalapa.

Bustamante, Jorge. 2002. "Dizque héroes, a punto de ser robados, nuevamente." *Milenio Diario*. (February 4).

CEPAL. 2000. "Informe de la Reunión de Expertos sobre Remesas en México: Propuestas para su Optimización." (México, D.F., Nov. 13.) LC/MEX/L.452 (SEM.115/2)

Canales, Alejandro I. 2002. "El papel de las remesas en la capacidad de ahorro e inversión de los hogares en México." In Jaciel Montoya (Ed.), *Memorias del Encuentro Nacional: La Población en México, Cambio Demográfico y Consecuencias Sociales*. Universidad Autónoma del Estado de México. (Forthcoming).

Calderón Chelius, Leticia y Jesus Martinez Saldaña 2002. La dimension Política de la Migración Mexicana. Mexico: Instituto Mora.

Corona, Rodolfo. 2001. "Monto y Uso de las Remesas en México." *Mercado de Valores* 8:27-46.

Delgado Wise, Raúl y Héctor Rodríguez. 2001. "The Emergence of Collective Migrants and Their Role in Mexico's Local and Regional Development." *Canadian Journal of Development Studies* 22(3):747-764.

Durand, Jorge. 1988. "Los Migradólares: Cien Años de inversión en el medio rural." *Argumentos: Estudios Críticos de la Sociedad* 5:7-21.

__________. 1994. *Más allá de la línea: Patrones migratorios entre México y Estados Unidos*. México, D.F.: Consejo Nacional para la Cultura y las Artes.

Durand, Jorge, Emilio A. Parrado y Douglas S. Massey. 1996. "Migradollars and Development: A Reconsideration of the Mexican Case." *International Migration Review* 30(2):423-444.

Durand, Jorge, William Kandel, Emilio A. Parrado y Douglas S. Massey. 1996. "International Migration and development in Mexican Communities." *Demography* 33(2):249-264.

Feldman-Bianco, Bela. 2000. "Brazilians in Portugal, Portuguese in Brazil: constructions of sameness and difference." *Identities* 8(4):607-648.

Fitzgerald, David. 2000. *Negotiating Extra-Territorial Citizenship: Mexican migration and the transnational politics of community*. La Jolla: Center for Comparative Immigration Studies, UCSD. Monograph Series, No. 2.

García Zamora, Rodolfo. 2002. "Los Proyectos Productivos de los Migrantes en México Hoy." Ponencia presentada en el Segundo Coloquio Sobre Migración Internacional: México-California. Universidad de Berkeley, California. 28-30 de marzo.

__________. 1999. "Perspectivas de los micro-proyectos productivos en tres estados de alta migración internacional en México." Documento inédito. Zacatecas: Facultad de Economía, Universidad Autónoma de Zacatecas.

Goldring, Luin. 2002b. "Remesas familiares, remesas colectivas y desarrollo: Implicaciones sociales y políticas de una desagregación de remesas."

__________. 2002a. "The Mexican State and Transmigrant Organizations: Negotiating the Boundaries of Membership and Participation." *Latin American Research Review* 37(3): 55-99.

__________. 2001a. "The Gender and Geography of Citizenship in Mexico-U.S. Transnational Spaces." *Identities*. 7(4): 501-537.

__________. 2001b. "Social and political dimensions of individual and collective remittances." Paper presented at the meeting of the Latin American Studies Association. Washington, D.C. September 6-8.

__________. 1999a. "Desarrollo, Migradólares y la Participación "Ciudadana" de los Norteños en Zacatecas." Pp. 77-87 en Miguel Moctezuma y Héctor Rodríguez Ramírez (comps.), *Impacto de la Migración y las Remesas en el Crecimiento Económico Regional*. México, D.F.: Senado de la República.

__________. 1999b. "El Estado Mexicano y las Organizaciones Transmigrantes: Reconfigurando la Nación y las Relaciones Entre Estado y Sociedad Civil?" Pp. 297-316 en Gail Mummert (ed.) *Fronteras Fragmentadas*. Zamora: El Colegio de Michoacán/Centro de Investigación y Desarrollo del Estado de Michoacán.

__________. 1998a. "From market membership to transnational citizenship?: the changing politization of transnational spaces." *L=Ordinaire Latino-Americain* (Toulouse, France) 173-174: 167-172.

____________. 1998b. "The Power of Status in Transnational Social Fields." *Comparative Urban and Community Research* 6:165-195.

__________. 1996. "Blurring Borders: Constructing Transnational Community in the Process of Mexico-U.S. Migration." *Research in Community Sociology* VI: 69-104.

__________. 1992b. "La Migración Mexico-EUA y la Transnacionalización del Espacio Político y Social: Perspectivas Desde el México Rural." *Estudios Sociológicos* X (29): 315-340.

__________. 1992a. "Diversity and Community in Transnational Migration: A Comparison of two Mexico-U.S. Migrant Circuits." Ph.D dissertation. Department of Rural Sociology. Ithaca, N.Y.: Cornell University.

Guarnizo, Luis E. 2001. "The economics of transnational migration." Conference on Transnational Migration organized by the Social Science Research Council and the British Social and Economic Research Council=s Transnational Communities Programme, Oxford University. Princeton University, June 30.

Juárez Galindo, Ignacio. 2002. "Inauguran el puente Mixteco en Axutla; fue construido con dinero de los migrantes." *La Jornada de Oriente*. (January 9).

Hernández, Juan. 2002. "Migration and Poverty in Mexico." Mexico City: Office of the President for Mexicans Abroad. (March.)

India at Best. http://www.indiaatbest.com/nriindex.htm. See also: http://unpan1.un.org/intradoc/groups/public/documents/apcity/unpan002874.pdf

Itzigsohn, José. 2000. "Immigration and the Boundaries of Citizenship: The Institutions of Immigrants= Political Transnationalism." *International Migration Review* 34(4):1126-1154.

Jones, Richard C. 1998. "Remittances and Inequality: A Question of Migration Stage and Geographic Scale." *Economic Geography* 74(1):8-25.

Knerr, Béatrice. 2003. Forthcoming.

Levitt, Peggy. 1998. "Social Remittances: Migration Driven Local-Level Forms of Cultural Diffusion." *Internatioanl Migration Review* 32:926-948.

Lucissano, Lucy. 2002. "Mexican Anti-Poverty Programs and the Making of "Responsible" Poor Citizens (1995-2000)." Ph. D dissertation. Department of Sociology. Toronto: York University.

Lozano, Fernando. 2001. "Hogares, Migración y Remesas en México: Los Casos de Morelos y Zacatecas." Segundo Seminario Internacional Sobre Migración, Remesas y Desarrollo Regional. Zacatecas, Zac. (September 21 and 22).

__________. 1999. "Immigrants from Cities: New Trends in Urban-Origin Mexican Migration to the United States." Ph. D Dissertation. University of Texas at Austin.

__________. 1993. *Bringing it Back Home. Remittances to Mexico from Migrant Workers in the United States.* La Jolla: Center for US-Mexican Studies, University of California San Diego, Monograph Series No. 37.

Martínez, Araceli. 2002. "Destacan bajo costo del envío de remesas hacia México." El Universal. (June 13.) Nación, pg. 22.

Migration News. (Directed by Phil Martin). U.C. Davis. http://migration.ucdavis.edu/Data/ Visited 12/20/02.

Moctezuma, Miguel y Rodríguez Ramírez, Héctor. 2001. "Programas "Tres por Uno" y "Mi Comunidad." Evaluación con migrantes zacatecanos y guanajuatenses radicados en Chicago, Ill. y Los Angeles, Ca. Informe de Investigación, Unidad de Posgrado en Ciencia Política, Universidad Autónoma de Zacatecas. (October).

Moctezuma, Miguel. 2001. "El Club de Migrantes "El Remolino." Una experiencia comunitaria binacional." Final Report. Project: "La Respuesta de las Organizaciones Civiles y Sociales Mexicanas Ante la Integración Económica. Estudios de caso." Red Mexicana de Acción Frente al Libre Comercio (RMALC) and Tufts University, Global Development and Enviroment Institute. (July).

__________. 2000. “La organización de los migrantes zacatecanos en Estados Unidos” Cuadernos Agrarios (nueva época)19-20:81-104.

Multilateral Investment Fund. 2001. “Remittances as a Development Tool: A Regional Conference.” (May 17-18). http://www.iadb.org/mif/website/static/en/remit.asp

Nichols, Sandra. 2002. "Another Kind of Remittance: transfer of agricultural innovations by migrants to their communities of origin." Presented at the "Second Colloquium on International Migration: Mexico-California.” University of California, Berkeley (March 29).

OPMEX. 2002. "Adopta una Comunidad.” México, D.F.: Oficina Presidencial para los Mexicanos y Mexico-Americanos en el Extranjero. Manuscript.

Orozco, Manuel. 2001. “Globalization and Migration: The Impact of Family Remittances in Latin America.” Manuscript. July 2001.

Ortiz Moreno, Humberto. 2002. “Los recursos de la banca de desarrollo se diluyen en gastos administrativos, reconoce. Ya viene China y no hay dinero para reconvertir pequeñas y medianas empresas, advierte Nafin.” La Jornada. May 24.

Rivera-Salgado, Gaspar. 2000. “Transnational Political Strategies: The Case of Mexican Indigenous Migrants.” Pp. 134-156 in Nancy Foner, Rubén Rumbaut and Steven Gold (eds.). Immigration Research for a New Century. New York: Russell Sage Foundation.

Robles, Francisco. 2001. “México impulsa proyectos de inversión de Remesas: Nacional Financiera anuncia un programa de desarrollo empresarial con el uso de los ‘migradólares' para el fomento de empleos en zonas migratorias. La Opinión. (October 23.)

Secretaría de Relaciones Exteriores (SRE). 2002. “Se expiden cerca de 500 mil matrículas consulares en el primer semestre del aZo.” Press Release number 155/02. Tlatelolco, D.F. (7 de julio). http://www.sre.gob.mx/comunicados/comunicados/htm

Smith, Robert C. 1999. "The Transnational Practice of Migrant Politics and Membership: An Analysis of the Mexican Case with some Comparative and Practical Reflections.” Pp. 217-239 in Hector Rodríguez and Miguel Moctezuma (eds.). *Migración Internacional y Desarrollo Regional.* Mexico, D.F.: Senado de la República.

________. 1998. "Transnational Localities: Community, Technology and the Politics of Membership within the Context of Mexico and U.S. Migration." *Comparative Urban and Community Research* 6:196-238.

Stalker, Peter. “Stalker’s guide to international migration.” http://pstalker.com/migration/mg_stats_5.htm (Visited 12/20/02).

Torres, Federico. 2001. "Migrants= Capital for Small-Scale Infrastructure and Small Enterprise Development in Mexico." Draft, October 9. Document prepared for the World Bank.

Tuirán, Rodolfo, Carlos Fuentes y Luis Felipe Ramos. 2001. "Dinámica reciente de la migración México-Estados Unidos" *Mercado de Valores* 8:3-26.

Tuirán, Rodolfo. 2002. “Migración, Remesas y Desarrollo Regional en México.” International Workshop: “Migración, Desarrollo Regional y Potencial Productivo de las Remesas.” Guadalajara, Jalisco. (14 y 15 de febrero).

Vega, Miguel Angel. 2002. “Vicepresidente de El Salvador visita Los Angeles. Agradece a sus connacionales por la ayuda enviada después del pasado terremoto y anuncia un programa de asistencia para obras públicas.” La Opinión. (February 26.)

Waller Meyers, Deborah. 2000. "Remesas de América Latina: revisión de la literatura.” *Comercio Exterior* 50(4):275-283.

Zúñiga, Juan Antonio. 2002. "Aumentaron 33% en 2001 las remesas de dinero de migrantes.” *La Jornada* (March 4). http://www.jornada.unam.mx/2002/mar02/020304/023nleco.php?origen=economia.html